CHAPTER 109

FILM, TELEVISION, AND VIDEO PROJECT PROMOTION PROGRAM — FEES AND QUALIFIED EXPENDITURES

S.F. 480

AN ACT relating to the eligibility for tax credits and income reductions for qualified expenditures under the film, television, and video project promotion program, providing for a fee, and providing an applicability date provision.

Be It Enacted by the General Assembly of the State of Iowa:

Section 1. Section 15.393, subsection 1, unnumbered paragraph 1, Code 2009, is amended to read as follows:

The department shall establish and administer a film, television, and video project promotion program that provides for the registration of projects to be shot on location in the state. A project that is registered under the program is entitled to the assistance provided in subsection 2. A fee ~~shall not~~ <u>may</u> be charged for registering. <u>The amount of the fee charged for registering shall be determined by the department by rule. Registration fees collected by the department under this section shall be used to administer the program.</u> The department shall not register a project unless the department determines that all of the following criteria are met:

Sec. 2. Section 15.393, subsection 2, paragraph a, subparagraph (1), Code 2009, is amended to read as follows:

(1) For tax years beginning on or after January 1, 2007, a qualified expenditure tax credit shall be allowed against the taxes imposed in chapter 422, divisions II, III, and V, and in chapter 432, and against the moneys and credits tax imposed in section 533.329, for a portion of a taxpayer's qualified expenditures in a project registered under the program. The tax credit shall equal <u>an amount not to exceed</u> twenty-five percent of the qualified expenditures on a project. <u>The department may negotiate the amount of the tax credit.</u> An individual may claim a tax credit under this paragraph "a" of a partnership, limited liability company, S corporation, estate, or trust electing to have income taxed directly to the individual. The amount claimed by the individual shall be based upon the pro rata share of the individual's earnings from the partnership, limited liability company, S corporation, estate, or trust. Any tax credit in excess of the taxpayer's liability for the tax year may be credited to the tax liability for the following five years or until depleted, whichever is earlier. A tax credit shall not be carried back to a tax year prior to the tax year in which the taxpayer claims the tax credit.

Sec. 3. Section 15.393, subsection 2, paragraph a, subparagraph (2), Code 2009, is amended to read as follows:

(2) A qualified expenditure by a taxpayer is a payment to an Iowa resident or an Iowa-based business for the sale, rental, or furnishing of tangible personal property or for services directly related to the registered project including but not limited to aircraft, vehicles, equipment, materials, supplies, accounting, animals and animal care, artistic and design services, graphics, construction, data and information services, delivery and pickup services, labor and personnel, lighting, makeup and hairdressing, film, music, photography, sound, video and related services, printing, research, site fees and rental, travel related to Iowa distant locations, trash removal and cleanup, and wardrobe. ~~For the purposes of this subparagraph, "labor and personnel" does not include the director, producers, or cast members other than extras and stand-ins.~~

<u>(a) For purposes of this subparagraph, "labor and personnel" includes compensation paid to the principal producer, principal director, and principal cast members if the principal producer, principal director, or principal cast member is an Iowa resident or an Iowa-based business, and if the compensation paid meets one of the following conditions:</u>

(i) If the qualified expenditures are at least ten million dollars but less than twenty million dollars, the compensation paid to each principal producer, principal director, and principal cast member does not exceed two hundred fifty thousand dollars each.

(ii) If the qualified expenditures are at least twenty million dollars, the compensation paid to each principal producer, principal director, and principal cast member does not exceed one million dollars each.

(b) For purposes of this subparagraph, "labor and personnel" includes compensation paid to personnel other than the principal producer, principal director, or principal cast members if the compensation paid meets one of the following conditions:

(i) If the qualified expenditures are less than ten million dollars, the compensation paid to labor and personnel other than the principal producer, the principal director, and principal cast members, does not exceed one hundred fifty thousand dollars each.

(ii) If the qualified expenditures are at least ten million dollars but less than twenty million dollars, the compensation paid to labor and personnel other than the principal producer, the principal director, and the principal cast members, does not exceed two hundred thousand dollars each.

(iii) If the qualified expenditures are at least twenty million dollars, the compensation paid to labor and personnel other than the principal producer, the principal director, and the principal cast members, does not exceed three hundred thousand dollars each.

(c) The department of revenue, in consultation with the department of economic development, shall by rule establish a list of eligible and negotiable expenditures.

Sec. 4. Section 15.393, subsection 2, paragraph b, subparagraph (1), Code 2009, is amended to read as follows:

(1) For tax years beginning on or after January 1, 2007, an investment tax credit shall be allowed against the taxes imposed in chapter 422, divisions II, III, and V, and in chapter 432, and against the moneys and credits tax imposed in section 533.329, for a portion of a taxpayer's investment in a project registered under the program. The tax credit shall equal ~~twenty-five percent of the investment in the project, except that the tax credit shall~~ an amount not to exceed twenty-five percent of the qualified expenditures on the project. The department may negotiate the amount of the tax credit. An individual may claim a tax credit under this paragraph of a partnership, limited liability company, S corporation, estate, or trust electing to have income taxed directly to the individual. The amount claimed by the individual shall be based upon the pro rata share of the individual's earnings from the partnership, limited liability company, S corporation, estate, or trust. Any tax credit in excess of the taxpayer's liability for the tax year may be credited to the tax liability for the following five years or until depleted, whichever is earlier. A tax credit shall not be carried back to a tax year prior to the tax year in which the taxpayer claims the tax credit. A taxpayer shall not claim a tax credit under this paragraph "b" for qualified expenditures for which a tax credit is claimed under paragraph "a".

Sec. 5. Section 15.393, subsection 2, paragraph c, Code 2009, is amended to read as follows:

c. For ~~tax years beginning on or after January 1, 2007,~~ the tax year in which a qualified expenditure occurred, and for the ensuing three tax years, a taxpayer may claim a reduction in adjusted gross income not to exceed in a tax year twenty-five percent of the amount of the qualified expenditure for purposes of taxes imposed in chapter 422, divisions II and III, for payments received from the sale, rental, or furnishing of tangible personal property or services directly related to the production of a project registered under this section which meets the criteria of a qualified expenditure under paragraph "a", subparagraph (2).

Sec. 6. APPLICABILITY DATE. This Act applies to projects registered on or after July 1, 2009.

Approved May 18, 2009

CHAPTER 110

COUNTY, CITY, AND MEMORIAL HOSPITAL OPERATIONS AND ADMINISTRATION

H.F. 260

AN ACT relating to the operation of county, city, and memorial hospitals and the duties and powers of hospital trustees and commissioners.

Be It Enacted by the General Assembly of the State of Iowa:

Section 1. Section 21.5, subsection 1, paragraph l, Code 2009, is amended to read as follows:

l. To discuss patient care quality and process improvement initiatives in a meeting of a public hospital or to discuss marketing and pricing strategies or similar proprietary information in a meeting of a public hospital, where public disclosure of such information would harm such a hospital's competitive position when no public purpose would be served by public disclosure. The minutes and the audio recording of a closed session under this paragraph shall be available for public inspection when the public disclosure would no longer harm the hospital's competitive position. For purposes of this paragraph, "public hospital" means the same as defined in section 249J.3. This paragraph does not apply to the information required to be disclosed pursuant to section 347.13, subsection ~~14~~ 11, or to any discussions relating to terms or conditions of employment, including but not limited to compensation of an officer or employee or group of officers or employees.

Sec. 2. Section 37.9, subsection 5, Code 2009, is amended to read as follows:

5. The commissioners having the management and control of a memorial hospital shall, within ten days after their appointment, qualify by taking the usual oath of office, but no bonds shall be required of them ~~except as hereinafter provided~~. The commissioners shall organize by electing a chairperson, secretary, and treasurer. ~~The secretary and treasurer shall each file with the chairperson of the commission a surety bond in such sum as the commission may require, with sureties approved by the commission, for the use and benefit of the memorial hospital. The reasonable costs of such bonds shall be paid from operating funds of the hospital.~~ The secretary shall immediately report to the county auditor and county treasurer the names of the chairperson, secretary, and treasurer of the commission. The commission shall meet ~~at least once each month~~ as necessary to adequately oversee the operation of the hospital. A majority of the commission members shall constitute a quorum for the transaction of business. The secretary shall keep a complete record of its proceedings. The commissioners of a memorial hospital shall have all of the powers and duties necessary to manage, control, and govern the memorial hospital including but not limited to any applicable powers and duties granted boards of trustees under other provisions of the Code relating to hospitals, nursing homes, assisted or independent living services, and other ancillary services irrespective of the chapter of the Code under which such institutions are established, organized, operated, or maintained, unless such provisions conflict with this chapter.

Sec. 3. Section 249J.24, subsection 6, paragraph b, Code 2009, is amended to read as follows:

b. The board of trustees of the acute care teaching hospital identified in this subsection and the department shall execute an agreement under chapter 28E by July 1, 2005, and annually by July 1, thereafter, to specify the requirements relative to distribution of the proceeds and the distribution of moneys to the hospital from the IowaCare account. The agreement shall include provisions relating to exceptions to the deadline for submission of clean claims as required pursuant to section 249J.7 and provisions relating to data reporting requirements regarding the expansion population. The agreement may also include a provision allowing such hospital to limit access to such hospital by expansion population members based on residency